

**FOR IMMEDIATE RELEASE:** June 17, 2004

**LARSON: CORPORATE TAX BILL WILL SEND MORE U.S JOBS  
OVERSEAS, WIDEN THE DEFICIT**

***House GOP Attempt to "Fix" \$4 Billion Problem With a \$34 Billion  
Solution***

WASHINGTON, D.C.- U.S. Congressman John B. Larson (CT-1) issued the following statement on the FSC/ETI tax legislation, H.R. 4520, which was passed by the House today. Due to certain provisions in U.S. tax law (FSC/ETI), international sanctions have been imposed on some American exports by the European Union including agriculture, metals, machinery and electrical equipment, which could amount to \$4 billion. However, H.R. 4520 fails to adequately address the problem and the GOP Leadership refused to allow a Democratic alternative to be introduced. The alternative would have curtailed the outsourcing of American jobs and given relief to small businesses and manufacturers. Larson has introduced legislation called the American Workers and Manufacturers Support Act, H.R. 4177, which would correct the FSC/ETI problem and contains numerous other provisions to aide U.S. manufacturers.

"This legislation is little more than a special interest giveaway that will drive more American jobs overseas and further expand the deficit," said Larson. "Instead of simply fixing the \$4 billion problem in a bipartisan fashion and creating jobs at home, this legislation actually provides more incentives for companies to ship jobs overseas and digs our deficit hole \$34 billion deeper. It is loaded down with an array of tax breaks for corporations that have nothing to do with the trade-related problem. This bill is a \$34 billion dollar solution to a \$4 billion problem that could have been addressed through a fiscally responsible, bipartisan solution.

"For the second time in two days, the Majority has squandered an opportunity to positively address a problem, instead choosing to use the chance to load down the bill with unrelated and unnecessary corporate tax breaks.

"The Republican Leadership was so worried about reaction to this outrageous legislation, they refused to allow the Democrats to even offer an alternative version. The House deserved a vote on both proposals side-by-side, instead of debate being stifled by the Majority," said Larson.

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